



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

FOR SOUTHEAST WISCONSIN COUNTIES

KENOSHA, RACINE AND WALWORTH COUNTIES

August 2004

JULY SHOWS FEWER UNEMPLOYED OVER THE LAST YEAR IN SOUTHEAST

The July, not seasonally adjusted unemployment rate for the **Kenosha MSA** was 5.9 percent; an increase of two-tenths of a percentage point from June. Uncharacteristically, the unemployment rate did not increase as sharply as it normally does in July. It is not uncommon for manufacturing intense counties such as Kenosha to see their unemployment rates spike up a full percent

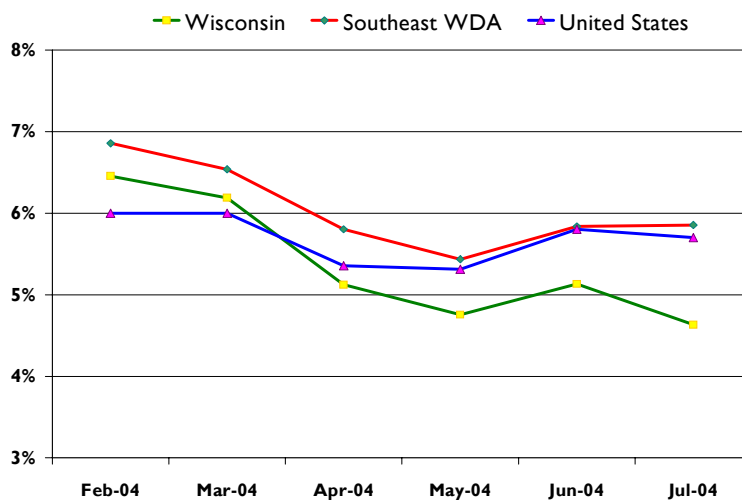
point in July due to the brief summer retooling and maintenance breaks in production facilities. The county did not experience this decrease in manufacturing employment over the month and in turn did not experience the temporary rise in unemployment. Annually, the unemployment rate has remained unchanged compared to July 2003 despite there being 500 fewer employed

Kenosha residents compared to one year ago. The number of unemployed has remained virtually unchanged.

Kenosha's industry employment tally numbered 54,800 total non-farm jobs. This total represents a net increase of 100 jobs, monthly. This increase is a bit out of the ordinary as the usual July dynamic is to show a net loss of jobs due to seasonal employment dips in manufacturing employment and government (school district) employment. Government employment did show a small loss of 300 jobs over the month and was the only sector to show a decrease in employment. The sector with the largest employment gain was leisure and hospitality with 200 more jobs. Construction and health services each showed 100-job gains. The remaining sectors' employment was unchanged over the month.

Annually, Kenosha County had 500 fewer jobs, overall. The loss was centered in an 800-job loss in manufacturing employment sur-

Six-Month Unemployment Rate Watch



source: DWD and U.S. Bureau of Labor Statistics

Civilian Labor Force Estimates for Southeast Wisconsin Counties: July 2004

	Wisconsin			Kenosha County			Racine County		
	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03
Labor force	3,175,541	3,175,261	3,155,841	87,630	86,038	88,135	96,362	96,173	97,979
Employed	3,028,420	3,012,282	2,975,892	82,426	81,120	82,927	89,430	89,283	89,639
Unemployed	147,121	162,979	179,949	5,204	4,918	5,208	6,932	6,890	8,340
% Unemployed	4.6%	5.1%	5.7%	5.9%	5.7%	5.9%	7.2%	7.2%	8.5%
	Walworth County			Southeast WDA			United States		
	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03	Jul-04	Jun-04	Jul-03
Labor force	58,625	58,507	58,532	242,617	240,718	244,646	149,217,000	148,478,000	147,822,000
Employed	56,555	56,262	56,051	228,411	226,665	228,617	140,700,000	139,861,000	138,503,000
Unemployed	2,070	2,245	2,481	14,206	14,053	16,029	8,518,000	8,616,000	9,319,000
% Unemployed	3.5%	3.8%	4.2%	5.9%	5.8%	6.6%	5.7%	5.8%	6.3%

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for Southeast Wisconsin - July 2004

	Wisconsin			Kenosha County			Racine County			Walworth County			Southeast WDA		
<u>Employment in 1,000's</u>	Change	Change		Change	Change		Change	Change		Change	Change		Change	Change	
	since	since		since	since		since	since		since	since		since	since	
	July	June	July	July	June	July	July	June	July	July	June	July	July	June	July
	2004	2004	2003	2004	2004	2003	2004	2004	2003	2004	2004	2003	2004	2004	2003
All Industries	2,846.4	-22.4	48.8	54.8	0.1	-0.5	79.4	-0.9	-0.6	43.1	-0.4	0.1	177.3	-1.2	-1.0
Construction/Natural Resources	143.2	4.9	3.2	2.5	0.1	0.0	4.1	0.2	0.1	2.2	0.0	0.0	8.8	0.3	0.1
Manufacturing	523.7	5.6	12.0	9.6	0.0	-0.8	18.7	-0.6	-1.0	9.0	0.0	0.0	37.3	-0.6	-1.8
Total Trade	444.7	-1.6	9.3	9.0	0.0	0.1	12.3	-0.1	-0.5	5.9	0.0	0.1	27.2	-0.1	-0.3
Retail Trade	326.0	-0.9	4.9	6.9	0.0	0.1	9.3	-0.1	-0.4	xx	xx	xx	xx	xx	xx
Wholesale Trade	118.7	-0.7	4.4	2.1	0.0	0.0	3.0	0.0	-0.1	xx	xx	xx	xx	xx	xx
Transport/Warehouse/Utilities	105.4	-2.7	-0.2	1.5	0.0	0.0	1.9	-0.1	-0.1	1.1	-0.1	-0.1	4.5	-0.2	-0.2
Financial Activities	161.6	0.6	2.6	1.8	0.0	0.1	2.9	0.0	0.1	1.2	0.0	0.1	5.9	0.0	0.3
Education and Health Services	375.8	2.0	10.9	8.2	0.1	-0.1	10.5	0.0	0.4	3.9	0.0	0.1	22.6	0.1	0.4
Leisure and Hospitality	272.2	1.6	4.3	6.7	0.2	0.2	7.0	0.0	0.0	8.6	0.4	0.0	22.3	0.6	0.2
Info./Prof./Bus. and Other Services	443.3	0.5	12.2	6.6	0.0	0.1	11.7	0.0	0.2	5.2	-0.1	-0.1	23.5	-0.1	0.2
Information	48.2	-0.4	-2.0	0.5	0.0	0.1	0.6	0.0	0.0	xx	xx	xx	xx	xx	xx
Professional and Business Services	266.3	3.8	16.9	3.4	0.0	0.1	6.4	0.0	0.2	xx	xx	xx	xx	xx	xx
Other Services	128.8	-2.9	-2.7	2.7	0.0	-0.1	4.7	0.0	0.0	xx	xx	xx	xx	xx	xx
Fed/State/Local Government	376.5	-33.3	-5.5	8.9	-0.3	-0.1	10.3	-0.3	0.2	6.1	-0.6	0.0	25.3	-1.2	0.1

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

rounded by small employment gains in other sectors such as trade, financial activities and leisure and hospitality, business services. Other employment losses were in government, other services and education and health services.

Racine MSA's unemployment rate remained unchanged at 7.2 percent over the month. This is the second year in a row that the unemployment rate has remained unchanged between June and July and it is also Racine County's lowest unemployment rate for the month of July since 2000. The annual view of the labor force shows a considerable drop of 1.3 percentage points in the unemployment rate, which represents over 1,400 fewer unemployed and a little over 200 fewer employed residents.

Racine's industry employment total stood at 79,400 total nonfarm jobs. This is lower, overall, than last month's total by 900 jobs, which is typical for the month of July. Manufacturing showed a monthly loss of 600 jobs, also very typical in July. Construction showed the largest monthly gain with 200 more jobs. Government employment showed a loss of 300 jobs. The remaining industry sectors were either un-

changed or showed slight employment losses over the month.

Compared to last July, Racine County, shows a net loss of 600 jobs. This is the first month since February of this year to show an annual net decrease in the total number of jobs. Manufacturing, total trade and transportation, warehousing and utilities each showed losses while the remaining sectors either showed employment gains or were unchanged over the year. The largest employment gain was in education and health services, of which the gain was likely more on the healthcare industry end. Professional and business services, government, financial activities and construction also showed annual employment gains.

Walworth County's unemployment rate in July was 3.5 percent. This is a monthly decrease of three-tenths of a percentage point. Annually, Walworth's rate is lower by seven-tenths of a percentage point. There are over 500 more employed and 400 fewer unemployed in Walworth County compared to last July.

Walworth's tally of industry employment

shows a total of 43,100 nonfarm jobs. This total is 400 jobs fewer than last month's total. This net loss is mainly the result of a 600-job reduction in employment in the government sector. This larger loss was slightly offset by a 400 job gain in leisure and hospitality employment.

Compared to July 2003, Walworth shows an overall gain of 100 jobs. Looking at the table above, one will notice that no industry sector really showed much in the way of great loss or gain, but even a small gain of 100 jobs is better territory than job loss. If anything, the last year has been rather flat with no real volatility. A handful of sectors show no change at all in their employment levels.

Direct questions and comments to:

Eric Grosso, State Labor Economist

201 East Washington Avenue

Room A400

Madison, Wisconsin 53702

Phone: 608.266.7034

e-mail: eric.grosso@dwd.state.wi.us

Find the most current labor market info at:

WWW.DWD.STATE.WI.US/LMI